Lon omB

Approved For RENTS 2604NTALL CIENCET NOTICE 2000800020037-9 WASHINGTON, D.C. 20505

2 4 AUG 1976

Mr. James M. Frey Assistant Director for Legislative Reference Office of Management and Budget Washington, D.C. 20503

Dear Mr. Frey:

This is in response to your request for our comments on the Department of State's draft proposal, "To further amend the Foreign Service Act of 1946 to improve the effectiveness of the Foreign Service inspection program, and for other purposes."

The Central Intelligence Agency certainly has no objection to any proposal designed to improve the Foreign Service inspection program. We are concerned, however, with the specific reference to Section 12 of P.L. 93-475. The "Explanation" attached to the draft proposal describes this reference as "signalling an increased emphasis in the inspection function on interagency coordination" and opines that such increased emphasis is "in keeping" with Section 12 of P.L. 93-475. The Central Intelligence Agency believes that it may be inappropriate to charge Foreign Service inspectors with responsibility for monitoring interagency coordination under Section 12.

Section 12 of P.L. 93-475 amended the Act of 1 August 1956 to provide, in part, that:

"Under the direction of the President—
...the United States Ambassador to a foreign country
shall have full responsibility for the direction, coordination, and supervision of all United States Government
officers and employees in that country....

This provision originated in the Senate, and the Senate report indicates that it derived from, and was intended to be consistent with, President Nixon's 16 December 1969 letter and President Kennedy's 29 May 1961 letter concerning ambassadorial responsibilities. The central theme of these letters was that, while the ambassador had the responsibility and authority for U.S. Government actions abroad, there were certain aspects



Approved For Release 2004/10/27: CIA-RDP78M02660R000800020037-9

of intelligence operations in which he did not necessarily have to involve himself and where differences of opinion arose, the ultimate decision would be made in Washington after consultation between the Director of Central Intelligence and the Secretary of State. The words "under the direction of the President" in P.L. 93-475 were inserted by the House of Representatives and approved in conference to ensure that this delicate balance of interests could continue, sometimes on a case-by-case basis. The provisions of P.L. 93-475, on the one hand, and the DCI's statutory responsibilities under the National Security Act of 1947 and the Central Intelligence Agency Act of 1949, on the other, potentially give rise to conflicting interpretations. The ambassador, as a direct representative of the President, should have an unimpaired channel for resolving such matters.

In light of the necessity for consultation in Washington between the Secretary of State and the Director of Central Intelligence over certain matters, and the need for flexibility and ultimate direction from the President, we believe that it would be inappropriate to task Foreign Service field inspectors to monitor interagency coordination under this law.

Sincerely,

 $s_{I_{CIII}}$

George L. Cary Legislative Counsel

Distribution:

Orig - Addressee

1 - SA/DO/O

1 - DDA

1 - OLC Subject

Y - OLC OMB Liaison

1 - OLC Chrono

OLC: WPB: sm (23 Aug 76)

Approved For Release 2004/10/27 : CIA-RDP78M02660R000800020037-9

STAT

FROM Deliver to Gentral Intelligen	7201 NE	ON I C	R 200	182
Washington, D.C. 20505		24 August 1976		
To: Mr. James M. Frey			TYPE OF MATER ENVELOPE (S	
Assistant Director for Legislative Reference		PACKAGE (S) OTHER		
Office of Management	and Budget			•
LOG DATA		DAT	TIME OF PICK	<u> </u>
		COR	RIER'S NITIALS	
		L	M	
		ŎF	RIGINATING FFICE LOG	2